

Executive Summary – Enforcement Matter – Case No. 50258
The Premcor Refining Group Inc.
RN103914545
Docket No. 2015-0432-IWD-E

Order Type:

1660 Agreed Order

Findings Order Justification:

N/A

Media:

IWD

Small Business:

No

Location(s) Where Violation(s) Occurred:

Port Arthur Refinery, located approximately 0.5 mile north of the Martin Luther King Bridge on State Highway 82, southwest of Port Arthur, Jefferson County

Type of Operation:

Petroleum refinery with an associated wastewater treatment plant

Other Significant Matters:

Additional Pending Enforcement Actions: No

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: None

Texas Register Publication Date: August 21, 2015

Comments Received: No

Penalty Information

Total Penalty Assessed: \$9,375

Amount Deferred for Expedited Settlement: \$1,875

Amount Deferred for Financial Inability to Pay: \$0

Total Paid to General Revenue: \$3,750

Total Due to General Revenue: \$0

Payment Plan: N/A

Supplemental Environmental Project ("SEP") Conditional Offset: \$3,750

Name of SEP: Big Thicket Association (Third-Party Pre-Approved)

Compliance History Classifications:

Person/CN - Satisfactory

Site/RN - High

Major Source: Yes

Statutory Limit Adjustment: N/A

Applicable Penalty Policy: April 2014

Investigation Information

Complaint Date(s): N/A

Complaint Information: N/A

Date(s) of Investigation: January 9, 2015

Date(s) of NOE(s): February 12, 2013

Executive Summary – Enforcement Matter – Case No. 50258
The Premcor Refining Group Inc.
RN103914545
Docket No. 2015-0432-IWD-E

Violation Information

Failed to comply with permitted effluent limitations for sulfides and total copper [TEX. WATER CODE § 26.121(a)(1), 30 TEX. ADMIN. CODE § 305.125(1), and Texas Pollutant Discharge Elimination System ("TPDES") Permit No. WQ0000309000 Phase I Effluent Limitations and Monitoring Requirements No. 1].

Corrective Actions/Technical Requirements

Corrective Action(s) Completed:

N/A

Technical Requirements:

1. The Order will require the Respondent to implement and complete a SEP (see SEP Attachment A).
2. The Order will also require the Respondent to, within 270 days, submit written certification of compliance with the effluent limits of TPDES Permit No. WQ0000309000, including specific corrective actions that were implemented at the Facility to achieve compliance and copies of the most current self-reported discharge monitoring reports, demonstrating at least three consecutive months of compliance with all permitted effluent limitations.

Litigation Information

Date Petition(s) Filed: N/A

Date Answer(s) Filed: N/A

SOAH Referral Date: N/A

Hearing Date(s): N/A

Settlement Date: N/A

Contact Information

TCEQ Attorney: N/A

TCEQ Enforcement Coordinator: Jennifer Graves, Enforcement Division, Enforcement Team 1, MC R-15, (956) 430-6023; Candy Garrett, Enforcement Division, MC 219, (512) 239-1456

TCEQ SEP Coordinator: Stuart Beckley, SEP Coordinator, Enforcement Division, MC 219, (512) 239-3565

Respondent: J. Greg Gentry, Vice President and General Manager, The Premcor Refining Group Inc., P.O. Box 909, Port Arthur, Texas 77641

Respondent's Attorney: N/A

Attachment A
Docket Number: 2015-0432-IWD-E
SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent:	The Premcor Refining Group Inc.
Penalty Amount:	Seven Thousand Five Hundred Dollars (\$7,500)
SEP Offset Amount:	Three Thousand Seven Hundred Fifty Dollars (\$3,750)
Type of SEP:	Contribution to a Third-Party Pre-Approved SEP
Third-Party Administrator:	Big Thicket Association
Project Name:	<i>Wetland Species and Ecosystems Analysis</i>
Location of SEP:	Neches and Sabine River Basins

The Texas Commission on Environmental Quality ("TCEQ") agrees to offset a portion of the administrative penalty amount assessed in this Agreed Order for the Respondent to contribute to a Supplemental Environmental Project ("SEP"). The offset is equal to the SEP Offset Amount set forth above and is conditioned upon completion of the project in accordance with the terms of this Attachment A.

1. Project Description

a. Project

The Respondent shall contribute the SEP Offset Amount to the Third-Party Administrator named above. The contribution will be to the **Big Thicket Association** for the *Wetland Species and Ecosystem Analysis* project. The contribution will be used in accordance with the SEP Agreement between the Third-Party Administrator and the TCEQ. Specifically, the SEP Offset Amount will be used to inventory an additional taxonomic group, such as lichens, bryophytes, mussels, mollusks, amphibians, fish, or birds (the "Project"). The Project will involve collecting specimens from the Preserve as well as wetland properties in Orange and Jefferson Counties, which are in the process of being donated to the Preserve. Currently, a Memorandum of Understanding regarding the impending donation is in place that will allow inventory of these properties. These properties have never been inventoried and need data for resource management. The SEP will be performed in accordance with all federal, state, and local environmental laws and regulations.

All dollars contributed will be used solely for the direct cost of the Project, including but not limited to supplies, materials, and equipment. Any portion of this contribution that is not spent on the specifically identified SEP may, at the discretion of the Executive Director ("ED"), be applied to another pre-approved SEP.

The Premcor Refining Group Inc.
Agreed Order - Attachment A

The Respondent's signature affixed to this Agreed Order certifies that it has no prior commitment to make this contribution and is being contributed solely in an effort to settle this enforcement action. The Respondent shall not profit in any manner from this SEP.

b. Environmental Benefit

This Project will benefit the environment by identifying the biodiversity, both native and exotic, in wetland wildlife corridors to assist in stewardship and sustainability. It will also assess the state of pollution indicator species to determine the impact of pollution on the Preserve. Additionally, inventories will identify areas where invasive species are present and aid in the analysis of harmful invasive species spreads and their impacts so that areas for removal can be identified.

c. Minimum Expenditure

The Respondent shall contribute at least the SEP Offset Amount to the Third-Party Administrator and comply with all other provisions of this SEP.

2. Performance Schedule

Within 30 days after the effective date of this Agreed Order, the Respondent must contribute the SEP Offset Amount to the Third-Party Administrator. The Respondent shall make the check payable to **Big Thicket Association SEP** and shall mail the contribution with a copy of the Agreed Order to:

Big Thicket Association
Attention: Jan Ruppel, President
P.O. Box 198
Saratoga, Texas 77585

3. Records and Reporting

Concurrent with the payment of the SEP Offset Amount, the Respondent shall provide the Enforcement SEP Coordinator with a copy of the check and transmittal letter indicating full payment of the SEP Offset Amount to the Third-Party Administrator. The Respondent shall mail a copy of the check and transmittal letter to:

Texas Commission on Environmental Quality
Enforcement Division
Attention: SEP Coordinator, MC 219
P.O. Box 13087
Austin, Texas 78711-3087

4. Failure to Fully Perform

If the Respondent does not perform its obligations under this Attachment A, including full expenditure of the SEP Offset Amount and submittal of the required reporting described in Sections 2 and 3, above the ED may require immediate payment of all or part of the SEP Offset Amount.

In the event the ED determines that the Respondent failed to fully implement and complete the Project, the Respondent shall remit payment for all or a portion of the SEP Offset Amount, as determined by the ED, and as set forth in the attached Agreed Order. After receiving notice of failure to complete the SEP, the Respondent shall include the docket number of the attached Agreed Order and a note that the enclosed payment is for the reimbursement of a SEP; shall make the check payable to "Texas Commission on Environmental Quality"; and shall mail it to:

Texas Commission on Environmental Quality
Litigation Division
Attention: SEP Coordinator, MC 175
P.O. Box 13087
Austin, Texas 78711-3087

5. Publicity

Any public statements concerning this SEP and/or the Project, made by or on behalf of the Respondent must include a clear statement that **the project was performed as part of the settlement of an enforcement action brought by the TCEQ**. Such statements include advertising, public relations, and press releases.

6. Recognition

The Respondent may not seek recognition for this contribution in any other state or federal regulatory program.

7. Other SEPs by TCEQ or Other Agencies

The SEP Offset Amount identified in this Attachment A and in the attached Agreed Order has not been, and shall not be, included as a SEP for the Respondent under any other Agreed Order negotiated with the TCEQ or any other agency of the state or federal government.



Penalty Calculation Worksheet (PCW)

TCEQ

DATES	Assigned	23-Feb-2015	PCW	23-Apr-2015	Screening	9-Mar-2015	EPA Due	5-Jun-2015
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RESPONDENT/FACILITY INFORMATION

Respondent	The Premcor Refining Group Inc.		
Reg. Ent. Ref. No.	RN103914545		
Facility/Site Region	10-Beaumont	Major/Minor Source	Major

CASE INFORMATION

Enf./Case ID No.	50258	No. of Violations	1
Docket No.	2015-0432-IWD-E	Order Type	1660
Media Program(s)	Water Quality	Government/Non-Profit	No
Multi-Media		Enf. Coordinator	Jennifer Graves
		EC's Team	Enforcement Team 1
Admin. Penalty \$ Limit Minimum	\$0	Maximum	\$25,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties)	Subtotal 1	\$7,500
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ADJUSTMENTS (+/-) TO SUBTOTAL 1

Subtotals 2-7 are obtained by multiplying the Total Base Penalty (Subtotal 1) by the indicated percentage.

Compliance History	25.0% Enhancement	Subtotals 2, 3, & 7	\$1,875
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Notes

Enhancement for four months of self-reported effluent violations and one NOV with same/similar violations.

Culpability	No	0.0% Enhancement	Subtotal 4	\$0
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Notes

The Respondent does not meet the culpability criteria.

Good Faith Effort to Comply Total Adjustments	Subtotal 5	\$0
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Economic Benefit	0.0% Enhancement*	Subtotal 6	\$0
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Total EB Amounts	\$2,750
Estimated Cost of Compliance	\$20,000

*Capped at the Total EB \$ Amount

SUM OF SUBTOTALS 1-7	Final Subtotal	\$9,375
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OTHER FACTORS AS JUSTICE MAY REQUIRE	0.0%	Adjustment	\$0
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Reduces or enhances the Final Subtotal by the indicated percentage.

Notes

Final Penalty Amount	\$9,375
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STATUTORY LIMIT ADJUSTMENT	Final Assessed Penalty	\$9,375
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DEFERRAL	20.0% Reduction	Adjustment	-\$1,875
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Reduces the Final Assessed Penalty by the indicated percentage. (Enter number only; e.g. 20 for 20% reduction.)

Notes

Deferral offered for expedited settlement.

PAYABLE PENALTY	\$7,500
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Screening Date 9-Mar-2015

Docket No. 2015-0432-IWD-E

PCW

Respondent The Premcor Refining Group Inc.

Policy Revision 4 (April 2014)

Case ID No. 50258

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN103914545

Media [Statute] Water Quality

Enf. Coordinator Jennifer Graves

Compliance History Worksheet

>> Compliance History Site Enhancement (Subtotal 2)

Component	Number of...	Enter Number Here	Adjust.
NOVs	Written notices of violation ("NOVs") with same or similar violations as those in the current enforcement action (<i>number of NOVs meeting criteria</i>)	5	25%
	Other written NOVs	0	0%
Orders	Any agreed final enforcement orders containing a denial of liability (<i>number of orders meeting criteria</i>)	0	0%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (<i>number of judgments or consent decrees meeting criteria</i>)	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government (<i>number of counts</i>)	0	0%
Emissions	Chronic excessive emissions events (<i>number of events</i>)	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which notices were submitted</i>)	0	0%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which violations were disclosed</i>)	0	0%
Please Enter Yes or No			
Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

Adjustment Percentage (Subtotal 2) 25%

>> Repeat Violator (Subtotal 3)

No

Adjustment Percentage (Subtotal 3) 0%

>> Compliance History Person Classification (Subtotal 7)

Satisfactory Performer

Adjustment Percentage (Subtotal 7) 0%

>> Compliance History Summary

Compliance History Notes

Enhancement for four months of self-reported effluent violations and one NOV with same/similar violations.

Total Compliance History Adjustment Percentage (Subtotals 2, 3, & 7) 25%

>> Final Compliance History Adjustment

Final Adjustment Percentage *capped at 100% 25%

Screening Date 9-Mar-2015

Docket No. 2015-0432-IWD-E

PCW

Respondent The Premcor Refining Group Inc.

Policy Revision 4 (April 2014)

Case ID No. 50258

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN103914545

Media [Statute] Water Quality

Enf. Coordinator Jennifer Graves

Violation Number 1

Rule Cite(s)

Tex. Water Code § 26.121(a)(1), 30 Tex. Admin. Code § 305.125(1), and Texas Pollutant Discharge Elimination System ("TPDES") Permit No. WQ0000309000 Phase I Effluent Limitations and Monitoring Requirements No. 1

Violation Description

Failed to comply with permitted effluent limitations, as documented during a record review conducted on January 9, 2015, and shown in the attached violation table.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			X
Potential			

Percent 15.0%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0.0%

Matrix Notes

A simplified model was used to evaluate total copper to determine whether the discharged amount of pollutants exceeded levels protective of human health and the environment. Sulfides were also considered. As a result of these discharges, human health or the environment has been exposed to insignificant amounts of pollutants which do not exceed levels protective of human health or the environment.

Adjustment \$21,250

\$3,750

Violation Events

Number of Violation Events 2

93 Number of violation days

mark only one with an x

daily	
weekly	
monthly	
quarterly	X
semiannual	
annual	
single event	

Violation Base Penalty \$7,500

Two quarterly events are recommended.

Good Faith Efforts to Comply

0.0%

Reduction \$0

Before NOE/NOV NOE/NOV to EDP RP/Settlement Offer

Extraordinary		
Ordinary		
N/A	X	(mark with x)

Notes

The Respondent does not meet the good faith criteria for this violation.

Violation Subtotal \$7,500

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$2,750

Violation Final Penalty Total \$9,375

This violation Final Assessed Penalty (adjusted for limits) \$9,375

Economic Benefit Worksheet

Respondent The Premcor Refining Group Inc.
Case ID No. 50258
Reg. Ent. Reference No. RN103914545
Media Water Quality
Violation No. 1

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)	\$20,000	31-Jul-2014	17-Jul-2016	1.96	\$131	\$2,619	\$2,750
Engineering/Construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

Estimated cost to conduct an evaluation of the wastewater treatment system to determine the cause of noncompliance and complete corrective actions. Date required is the initial month of noncompliance. Final date is the expected date of compliance.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/Equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$20,000

TOTAL

\$2,750

EFFLUENT VIOLATION TABLE					
The Premcor Refining Group Inc.					
TPDES Permit No. WQ0000309000					
TCEQ Docket No. 2015-0432-IWD-E					
Months	Total Copper Daily Avg. Conc.	Total Copper Daily Max. Conc.	Total Copper Daily Max. Loading	Sulfides Daily Max. Loading	Sulfides Daily Max. Loading
	Limit = 0.014 mg/L	Limit = 0.029 mg/L	Limit = 8.11 lbs/day	Limit = 0.21 mg/L	Limit = 58.1 lbs/day
July 2014	c	c	c	0.382	72.32
August 2014	0.042	0.088	11.52	c	c
October 2014	0.027	0.16	c	c	c
Avg. = Average Conc. = Concentration Max. = Maximum			mg/L = milligrams per liter lbs/day = pounds per day c = compliant		



Compliance History Report

PUBLISHED Compliance History Report for CN601420748, RN103914545, Rating Year 2014 which includes Compliance History (CH) components from September 1, 2009, through August 31, 2014.

Customer, Respondent, or Owner/Operator:	CN601420748, The Premcor Refining Group Inc.	Classification:	SATISFACTORY	Rating:	34.58
Regulated Entity:	RN103914545, PORT ARTHUR REFINERY	Classification:	HIGH	Rating:	0.00
Complexity Points:	10	Repeat Violator:	NO		
CH Group:	14 - Other				
Location:	Located approximately 0.5 mile north of Martin Luther King Bridge on State Hwy 82, southwest of the City of Port Arthur, Jefferson County, Texas				
TCEQ Region:	REGION 10 - BEAUMONT				
ID Number(s):					
WASTEWATER EPA ID	TX0005991	WASTEWATER PERMIT	WQ0000309000		
WASTEWATER LICENSING LICENSE	WQ0000309000				
Compliance History Period:	September 01, 2009 to August 31, 2014	Rating Year:	2014	Rating Date:	09/01/2014
Date Compliance History Report Prepared:	April 20, 2015				
Agency Decision Requiring Compliance History:	Enforcement				
Component Period Selected:	April 20, 2010 to April 20, 2015				
TCEQ Staff Member to Contact for Additional Information Regarding This Compliance History.					
Name:	Jennifer Graves	Phone:	(956) 430-6023		

Site and Owner/Operator History:

- | | |
|--|-----|
| 1) Has the site been in existence and/or operation for the full five year compliance period? | YES |
| 2) Has there been a (known) change in ownership/operator of the site during the compliance period? | NO |
| 3) If YES for #2, who is the current owner/operator? | N/A |
| 4) If YES for #2, who was/were the prior owner(s)/operator(s)? | N/A |
| 5) If YES , when did the change(s) in owner or operator occur? | N/A |

Components (Multimedia) for the Site Are Listed in Sections A - J

A. Final Orders, court judgments, and consent decrees:

N/A

B. Criminal convictions:

N/A

C. Chronic excessive emissions events:

N/A

D. The approval dates of investigations (CCEDS Inv. Track. No.):

Item 1	April 21, 2010	(945361)
Item 2	May 24, 2010	(945365)
Item 3	June 21, 2010	(945369)
Item 4	July 22, 2010	(945373)
Item 5	August 23, 2010	(945376)
Item 6	September 20, 2010	(945380)
Item 7	December 27, 2010	(945392)

Item 8	January 24, 2011	(945396)
Item 9	February 22, 2011	(945354)
Item 10	March 21, 2011	(945357)
Item 11	April 22, 2011	(952625)
Item 12	May 23, 2011	(945366)
Item 13	October 24, 2011	(990607)
Item 14	December 19, 2011	(984306)
Item 15	February 21, 2012	(997968)
Item 16	March 21, 2012	(1003492)
Item 17	April 20, 2012	(1010056)
Item 18	May 21, 2012	(1016451)
Item 19	June 18, 2012	(1024170)
Item 20	July 20, 2012	(1031565)
Item 21	August 20, 2012	(1037942)
Item 22	September 24, 2012	(1046675)
Item 23	October 18, 2012	(1060879)
Item 24	December 19, 2012	(1060881)
Item 25	January 15, 2013	(1078968)
Item 26	February 20, 2013	(1078967)
Item 27	March 19, 2013	(1089308)
Item 28	May 17, 2013	(1106627)
Item 29	July 18, 2013	(1117187)
Item 30	August 19, 2013	(1124943)
Item 31	September 19, 2013	(1129543)
Item 32	October 16, 2013	(1135273)
Item 33	November 19, 2013	(1140672)
Item 34	December 19, 2013	(1147131)
Item 35	January 20, 2014	(1153200)
Item 36	February 18, 2014	(1160535)
Item 37	March 17, 2014	(1167180)
Item 38	April 14, 2014	(1174313)
Item 39	May 13, 2014	(1180501)
Item 40	June 20, 2014	(1187399)
Item 41	July 16, 2014	(1198547)
Item 42	October 17, 2014	(1212216)
Item 43	December 16, 2014	(1224247)
Item 44	January 15, 2015	(1230774)

E. Written notices of violations (NOV) (CCEDS Inv. Track. No.):

A notice of violation represents a written allegation of a violation of a specific regulatory requirement from the commission to a regulated entity. A notice of violation is not a final enforcement action, nor proof that a violation has actually occurred.

1	Date:	07/31/2014	(1198548)	CN601420748	
	Self Report?	YES		Classification:	Moderate
	Citation:	2D TWC Chapter 26, SubChapter A 26.121(a) 30 TAC Chapter 305, SubChapter F 305.125(1)			
	Description:	Failure to meet the limit for one or more permit parameter			
2	Date:	08/31/2014	(1205804)	CN601420748	
	Self Report?	YES		Classification:	Moderate
	Citation:	2D TWC Chapter 26, SubChapter A 26.121(a) 30 TAC Chapter 305, SubChapter F 305.125(1)			
	Description:	Failure to meet the limit for one or more permit parameter			
3	Date:	09/16/2014	(1191007)	CN601420748	
	Self Report?	NO		Classification:	Moderate
	Citation:	PC 2g, Pg 7 PERMIT			
	Description:	Failure by Valero Port Arthur Refinery to prevent the unauthorized discharge of wastewater or any other waste into or adjacent to water of the state at any location not permitted as an outfall or otherwise defined in the Other Requirements section of the permit.			
	Self Report?	NO		Classification:	Minor
	Citation:	30 TAC Chapter 335, SubChapter A 335.4(1)			
	Description:	Failure by Valero Port Arthur Refinery to prevent the discharge or imminent threat			

Published Compliance History Report for CN601420748, RN103914545, Rating Year 2014 which includes Compliance History (CH) components from April 20, 2010, through April 20, 2015.

of discharge of industrial solid waste into or adjacent to waters in the state without obtaining specific authorization for such a discharge.

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 335, SubChapter A 335.4(1)

Description: Failure by Valero Port Arthur Refinery to prevent the discharge or imminent threat of discharge of industrial solid waste into or adjacent to waters in the state without obtaining specific authorization for such a discharge.

Self Report? NO Classification: Moderate

Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)

Description: Failure by Valero Port Arthur Refinery to be authorized by permit to discharge industrial waste into or adjacent to any water in the state.

4 Date: 10/31/2014 (1218468) CN601420748
Self Report? YES Classification: Moderate
Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)
Description: Failure to meet the limit for one or more permit parameter

5 Date: 01/31/2015 (1242284) CN601420748
Self Report? YES Classification: Moderate
Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)
Description: Failure to meet the limit for one or more permit parameter

F. Environmental audits:

N/A

G. Type of environmental management systems (EMSs):

N/A

H. Voluntary on-site compliance assessment dates:

N/A

I. Participation in a voluntary pollution reduction program:

N/A

J. Early compliance:

N/A

Sites Outside of Texas:

N/A

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



**IN THE MATTER OF AN
ENFORCEMENT ACTION
CONCERNING
THE PREMCOR REFINING
GROUP INC.
RN103914545**

**§ BEFORE THE
§
§ TEXAS COMMISSION ON
§
§
§ ENVIRONMENTAL QUALITY**

AGREED ORDER DOCKET NO. 2015-0432-IWD-E

I. JURISDICTION AND STIPULATIONS

On _____, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding The Premcor Refining Group Inc. ("Respondent") under the authority of TEX. WATER CODE chs. 7 and 26. The Executive Director of the TCEQ, through the Enforcement Division, and the Respondent together stipulate that:

1. The Respondent owns and operates a petroleum refinery with an associated wastewater treatment plant located approximately 0.5 mile north of the Martin Luther King Bridge on State Highway 82, southwest of Port Arthur, Jefferson County, Texas (the "Facility").
2. The Respondent has discharged industrial waste into or adjacent to any water in the state under TEX. WATER CODE ch. 26.
3. The Executive Director and the Respondent agree that the Commission has jurisdiction to enter this Agreed Order, and that the Respondent is subject to the Commission's jurisdiction.
4. The Respondent received notice of the violations alleged in Section II ("Allegations") on or about February 17, 2015.
5. The occurrence of any violation is in dispute and the entry of this Agreed Order shall not constitute an admission by the Respondent of any violation alleged in Section II ("Allegations"), nor of any statute or rule.
6. An administrative penalty in the amount of Nine Thousand Three Hundred Seventy-Five Dollars (\$9,375) is assessed by the Commission in settlement of the violations alleged in

Section II ("Allegations"). The Respondent has paid Three Thousand Seven Hundred Fifty Dollars (\$3,750) of the administrative penalty and One Thousand Eight Hundred Seventy-Five Dollars (\$1,875) is deferred contingent upon the Respondent's timely and satisfactory compliance with all the terms of this Agreed Order. The deferred amount will be waived upon full compliance with the terms of this Agreed Order. If the Respondent fails to timely and satisfactorily comply with all requirements of this Agreed Order, the Executive Director may require the Respondent to pay all or part of the deferred penalty. Three Thousand Seven Hundred Fifty Dollars (\$3,750) of the administrative penalty shall be conditionally offset by the Respondent's completion of a Supplemental Environmental Project ("SEP").

7. Any notice and procedures, which might otherwise be authorized or required in this action, are waived in the interest of a more timely resolution of the matter.
8. The Executive Director and the Respondent agree on a settlement of the matters alleged in this enforcement action, subject to final approval in accordance with 30 TEX. ADMIN. CODE § 70.10(a).
9. The Executive Director may, without further notice or hearing, refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings if the Executive Director determines that the Respondent has not complied with one or more of the terms or conditions in this Agreed Order.
10. This Agreed Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Agreed Order, whichever is later.
11. The provisions of this Agreed Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Agreed Order unenforceable, the remaining provisions shall be valid and enforceable.

II. ALLEGATIONS

As owner and operator of the Facility, the Respondent is alleged to have failed to comply with permitted effluent limitations, in violation of TEX. WATER CODE § 26.121(a)(1), 30 TEX. ADMIN. CODE § 305.125(1), and Texas Pollutant Discharge Elimination System ("TPDES") Permit No. WQ0000309000 Phase I Effluent Limitations and Monitoring Requirements No. 1, as documented during a record review conducted on January 9, 2015, and shown in the table below:

EFFLUENT VIOLATION TABLE					
	Total Copper Daily Avg. Conc.	Total Copper Daily Max. Conc.	Total Copper Daily Max. Loading	Sulfides Daily Max. Loading	Sulfides Daily Max. Loading
Months	Limit = 0.014 mg/L	Limit = 0.029 mg/L	Limit = 8.11 lbs/day	Limit = 0.21 mg/L	Limit = 58.1 lbs/day
July 2014	c	c	c	0.382	72.32
August 2014	0.042	0.088	11.52	c	c
October 2014	0.027	0.16	c	c	c
Avg. = Average Conc. = Concentration Max. = Maximum			mg/L = milligrams per liter lbs/day = pounds per day c = compliant		

III. DENIALS

The Respondent generally denies each allegation in Section II ("Allegations").

IV. ORDERING PROVISIONS

1. It is, therefore, ordered by the TCEQ that the Respondent pay an administrative penalty as set forth in Section I, Paragraph 6 above. The payment of this administrative penalty and the Respondent's compliance with all the terms and conditions set forth in this Agreed Order resolve only the allegations in Section II. The Commission shall not be constrained in any manner from requiring corrective action or penalties for violations which are not raised here. Administrative penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: The Premcor Refining Group Inc., Docket No. 2015-0432-IWD-E" to:

Financial Administration Division, Revenue Operations Section
Attention: Cashier's Office, MC 214
Texas Commission on Environmental Quality
P.O. Box 13088
Austin, Texas 78711-3088
2. The Respondent shall implement and complete a SEP in accordance with TEX. WATER CODE § 7.067. As set forth in Section I, Paragraph 6 above, Three Thousand Seven Hundred Fifty Dollars (\$3,750) of the assessed administrative penalty shall be offset with the condition that the Respondent implement the SEP defined in Attachment A, incorporated herein by reference. The Respondent's obligation to pay the conditionally

offset portion of the administrative penalty assessed shall be discharged upon final completion of all provisions of the SEP agreement.

3. Within 270 days after the effective date of this Agreed Order, submit written certification of compliance with the effluent limits of TPDES Permit No. WQ0000309000, including specific corrective actions that were implemented at the Facility to achieve compliance and copies of the most current self-reported discharge monitoring reports, demonstrating at least three consecutive months of compliance with all permitted effluent limitations. The certification shall include detailed supporting documentation including receipts, and/or other records to demonstrate compliance, be notarized by a State of Texas Notary Public and include the following certification language:

“I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.”

The certification shall be submitted to:

Order Compliance Team
Enforcement Division, MC 149A
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

with a copy to:

Water Section Manager
Beaumont Regional Office
Texas Commission on Environmental Quality
3870 Eastex Freeway
Beaumont, Texas 77703-1892

4. The provisions of this Agreed Order shall apply to and be binding upon the Respondent. The Respondent is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the Facility operations referenced in this Agreed Order.
5. If the Respondent fails to comply with any of the Ordering Provisions in this Agreed Order within the prescribed schedules, and that failure is caused solely by an act of God, war, strike, riot, or other catastrophe, the Respondent's failure to comply is not a violation of this Agreed Order. The Respondent shall have the burden of establishing to the Executive Director's satisfaction that such an event has occurred. The Respondent

shall notify the Executive Director within seven days after the Respondent becomes aware of a delaying event and shall take all reasonable measures to mitigate and minimize any delay.

6. The Executive Director may grant an extension of any deadline in this Agreed Order or in any plan, report, or other document submitted pursuant to this Agreed Order, upon a written and substantiated showing of good cause. All requests for extensions by the Respondent shall be made in writing to the Executive Director. Extensions are not effective until the Respondent receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director.
7. This Agreed Order, issued by the Commission, shall not be admissible against the Respondent in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Agreed Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.
8. This Agreed Order may be executed in separate and multiple counterparts, which together shall constitute a single instrument. Any page of this Agreed Order may be copied, scanned, digitized, converted to electronic portable document format ("pdf"), or otherwise reproduced and may be transmitted by digital or electronic transmission, including but not limited to facsimile transmission and electronic mail. Any signature affixed to this Agreed Order shall constitute an original signature for all purposes and may be used, filed, substituted, or issued for any purpose for which an original signature could be used. The term "signature" shall include manual signatures and true and accurate reproductions of manual signatures created, executed, endorsed, adopted, or authorized by the person or persons to whom the signatures are attributable. Signatures may be copied or reproduced digitally, electronically, by photocopying, engraving, imprinting, lithographing, electronic mail, facsimile transmission, stamping, or any other means or process which the Executive Director deems acceptable. In this paragraph exclusively, the terms "electronic transmission", "owner", "person", "writing", and "written" shall have the meanings assigned to them under TEX. BUS. ORG. CODE § 1.002.
9. Under 30 TEX. ADMIN. CODE § 70.10(b), the effective date is the date of hand-delivery of the Order to the Respondent, or three days after the date on which the Commission mails notice of the Order to the Respondent, whichever is earlier.

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission

Ramona Marie J
For the Executive Director

11/19/15
Date

I, the undersigned, have read and understand the attached Agreed Order. I am authorized to agree to the attached Agreed Order on behalf of the entity indicated below my signature, and I do agree to the terms and conditions specified therein. I further acknowledge that the TCEQ, in accepting payment for the penalty amount, is materially relying on such representation.

I also understand that failure to comply with the Ordering Provisions, if any, in this order and/or failure to timely pay the penalty amount, may result in:

- A negative impact on compliance history;
- Greater scrutiny of any permit application submitted;
- Referral of this case to the Attorney General's Office for contempt, injunctive relief, additional penalties, and/or attorney fees, or to a collection agency;
- Increased penalties in any future enforcement actions;
- Automatic referral to the Attorney General's Office of any future enforcement actions; and
- TCEQ seeking other relief as authorized by law.

In addition, any falsification of any compliance documents may result in criminal prosecution.

J. Greg Gentry
Signature

6/30/15
Date

J. Greg Gentry
Name (Printed or typed)
Authorized Representative of
The Premcor Refining Group Inc.

Vice President and General Manager
Title

Instructions: Send the original, signed Agreed Order with penalty payment to the Financial Administration Division, Revenue Operations Section at the address in Section IV, Paragraph 1 of this Agreed Order.

Attachment A
Docket Number: 2015-0432-IWD-E
SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent:	The Premcor Refining Group Inc.
Penalty Amount:	Seven Thousand Five Hundred Dollars (\$7,500)
SEP Offset Amount:	Three Thousand Seven Hundred Fifty Dollars (\$3,750)
Type of SEP:	Contribution to a Third-Party Pre-Approved SEP
Third-Party Administrator:	Big Thicket Association
Project Name:	<i>Wetland Species and Ecosystems Analysis</i>
Location of SEP:	Neches and Sabine River Basins

The Texas Commission on Environmental Quality ("TCEQ") agrees to offset a portion of the administrative penalty amount assessed in this Agreed Order for the Respondent to contribute to a Supplemental Environmental Project ("SEP"). The offset is equal to the SEP Offset Amount set forth above and is conditioned upon completion of the project in accordance with the terms of this Attachment A.

1. Project Description

a. Project

The Respondent shall contribute the SEP Offset Amount to the Third-Party Administrator named above. The contribution will be to the **Big Thicket Association** for the *Wetland Species and Ecosystem Analysis* project. The contribution will be used in accordance with the SEP Agreement between the Third-Party Administrator and the TCEQ. Specifically, the SEP Offset Amount will be used to inventory an additional taxonomic group, such as lichens, bryophytes, mussels, mollusks, amphibians, fish, or birds (the "Project"). The Project will involve collecting specimens from the Preserve as well as wetland properties in Orange and Jefferson Counties, which are in the process of being donated to the Preserve. Currently, a Memorandum of Understanding regarding the impending donation is in place that will allow inventory of these properties. These properties have never been inventoried and need data for resource management. The SEP will be performed in accordance with all federal, state, and local environmental laws and regulations.

All dollars contributed will be used solely for the direct cost of the Project, including but not limited to supplies, materials, and equipment. Any portion of this contribution that is not spent on the specifically identified SEP may, at the discretion of the Executive Director ("ED"), be applied to another pre-approved SEP.

The Premcor Refining Group Inc.
Agreed Order - Attachment A

The Respondent's signature affixed to this Agreed Order certifies that it has no prior commitment to make this contribution and is being contributed solely in an effort to settle this enforcement action. The Respondent shall not profit in any manner from this SEP.

b. Environmental Benefit

This Project will benefit the environment by identifying the biodiversity, both native and exotic, in wetland wildlife corridors to assist in stewardship and sustainability. It will also assess the state of pollution indicator species to determine the impact of pollution on the Preserve. Additionally, inventories will identify areas where invasive species are present and aid in the analysis of harmful invasive species spreads and their impacts so that areas for removal can be identified.

c. Minimum Expenditure

The Respondent shall contribute at least the SEP Offset Amount to the Third-Party Administrator and comply with all other provisions of this SEP.

2. Performance Schedule

Within 30 days after the effective date of this Agreed Order, the Respondent must contribute the SEP Offset Amount to the Third-Party Administrator. The Respondent shall make the check payable to **Big Thicket Association SEP** and shall mail the contribution with a copy of the Agreed Order to:

Big Thicket Association
Attention: Jan Ruppel, President
P.O. Box 198
Saratoga, Texas 77585

3. Records and Reporting

Concurrent with the payment of the SEP Offset Amount, the Respondent shall provide the Enforcement SEP Coordinator with a copy of the check and transmittal letter indicating full payment of the SEP Offset Amount to the Third-Party Administrator. The Respondent shall mail a copy of the check and transmittal letter to:

Texas Commission on Environmental Quality
Enforcement Division
Attention: SEP Coordinator, MC 219
P.O. Box 13087
Austin, Texas 78711-3087

4. Failure to Fully Perform

If the Respondent does not perform its obligations under this Attachment A, including full expenditure of the SEP Offset Amount and submittal of the required reporting described in Sections 2 and 3, above the ED may require immediate payment of all or part of the SEP Offset Amount.

In the event the ED determines that the Respondent failed to fully implement and complete the Project, the Respondent shall remit payment for all or a portion of the SEP Offset Amount, as determined by the ED, and as set forth in the attached Agreed Order. After receiving notice of failure to complete the SEP, the Respondent shall include the docket number of the attached Agreed Order and a note that the enclosed payment is for the reimbursement of a SEP; shall make the check payable to "Texas Commission on Environmental Quality"; and shall mail it to:

Texas Commission on Environmental Quality
Litigation Division
Attention: SEP Coordinator, MC 175
P.O. Box 13087
Austin, Texas 78711-3087

5. Publicity

Any public statements concerning this SEP and/or the Project, made by or on behalf of the Respondent must include a clear statement that **the project was performed as part of the settlement of an enforcement action brought by the TCEQ**. Such statements include advertising, public relations, and press releases.

6. Recognition

The Respondent may not seek recognition for this contribution in any other state or federal regulatory program.

7. Other SEPs by TCEQ or Other Agencies

The SEP Offset Amount identified in this Attachment A and in the attached Agreed Order has not been, and shall not be, included as a SEP for the Respondent under any other Agreed Order negotiated with the TCEQ or any other agency of the state or federal government.